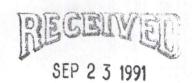


Norman H. Bangerter Governor Dee C. Hansen Executive Director Richard J. Mitchell Division Director

## State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF STATE LANDS AND FORESTRY

355 West North Temple 3 Triad Center, Suite 400 Salt Lake City, Utah 84180-1204 801-538-5508





DIVISION OF OIL GAS & MINING

5/047/036

September 19, 1991

The Native Asphalt Co. Attn: Mark Lindsay 136 E. South Temple University Club Bldg., STE 1750 Salt Lake City, UT 84111

Dear Mr. Lindsay:

RE: ML 7920--Oil, Gas, and Hydrocarbon

Receipt of your September 12, 1991, proposal to mine state lands under the above-numbered lease is acknowledged. It is noted that this lease is scheduled for expiration on October 15, 1991. The lease requires a 60 day notification period prior to the commencement of operations. Therefore, this plan of operations may not be approved unless the Division extends the lease for another year.

There are several items in your operating plan which need to be discussed. Mr. Tony Gallegos of the Division of Oil, Gas, and Mining will contact you to arrange a site visit for the first week of October.

Sincerely yours,

JOHN T. BLAKE

MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Tony Gallegos

Division of Oil, Gas, and Mining